

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice FC-145**

1951-C

**For:** State and County Offices

**Processing Offset Payments for FLP Borrowers**

**Approved by:** Deputy Administrator, Farm Loan Programs

*Carolyn B. Cooksie*

**1 Overview**

**A**

**Background**

To accurately credit the borrower's account and report the amount of offsets collected, offset payments for FLP borrowers must be processed as a miscellaneous payment.

**B**

**Purpose**

This notice gives guidance for:

- processing offset payments
- reporting offset information according to Notice FC-139.

**C**

**Contact**

If there are any questions:

- State Offices shall contact LSPMD
- County Offices shall contact State Office.

**Disposal Date**

October 1, 1998

**Distribution**

State Offices; State Offices relay to County  
Offices

9-22-97

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## 2 Action

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### A

#### Processing Offset Payments

Offset payments collected for FLP borrowers must be processed as a miscellaneous payment code 40. In the "Special Comments" field, type "Internal Offset".

Apply these payments as a regular payment according to RD Instruction 1951-C, Section 1951.104(a)(9).

If any payments were submitted as an extra payment or other than a miscellaneous payment code 40, County Offices must immediately FAX the following information to the Finance Office at 314-539-6266:

- name of borrower
  - case number
  - date of credit
  - fund code
  - loan number
  - amount of offset payment
  - how the offset was originally submitted (miscellaneous payment code 21, extra payment)
  - how to apply the offset (internal offset, regular payment).
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### B

#### Reporting Requirements

Since the Finance Office will be able to capture the amount of offset collected, the dollar amount and program source shall not be included in the report required by Notice FC-139. The number of 1951-C-1 and 1951-C-2 letters sent is still required.

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